

## HR EMERGES AS 'STRATEGIC BUSINESS PARTNER' WITH INCREASING NEED FOR DIGITAL SKILLS

- *Demand for domain specialists and soft skill experts as 'right job-right candidate' becomes an HR priority*

**Chennai, July 23, 2014:** To assess the effect of the continuously changing business environment on hiring trends and the outlook for FY2015, **National Association of Software and Services Companies (NASSCOM)** organized the two-day annual HR Summit 2014 at ITC Grand Chola, in Chennai. On the side-lines, NASSCOM also announced the findings of a recently conducted HR survey. The survey was aimed at identifying the HR priorities of the industry, defining its operational metrics and showcase technology as a key differentiator for the segment. Echoing the upbeat mood of the industry NASSCOM today also announced the annual rankings of **top 20 IT-BPM employers in India**, for Financial Year 2013-14. **Tata Consultancy Services** has emerged as the largest recruiter over the last year, followed by **Infosys** and **Cognizant Technology Solutions**.

According to the survey, driven by the improving global economic climate and gradual rise in the technology spend, **the Indian IT-BPM industry will increase its net hiring by approximately 6 per cent over last year**. With a renewed focus on skills over building capacity, SMEs are expected to drive hiring with 7-8 per cent growth in headcount.

Industry is now focusing more on lateral hiring as there is a higher demand for niche technology skills and domain-specific capabilities. Digital skills that pan across analytics, cloud, mobile and analytics are the key skills in demand by the industry.

### **Mr. R. Chandrashekhar, President, NASSCOM**

expressed "The future of the industry is in its talent with niche skills as they can match their capabilities with the strategic goals of their potential employer. The industry is also putting in place multiple solutions to address niche skill set requirements and is actively engaging with employees to build a strong entrepreneurial culture. NASSCOM through the Sector Skill Council has published detailed job roles for the industry and the skills and competencies required in these role".

**Mr. BVR Mohan Reddy, Vice Chairman, NASSCOM** said "The role of HR leaders is rapidly changing as technology disruptions are creating new opportunities for the industry. HR is gaining more prominence as a 'strategic business partner' for the industry with HR transforming to meet new and dynamic business priorities while preparing for the future and developing next level of leadership".

Technology for HR function will prove to be a boon as technology solutions are expected to bring in clarity in HR processes resulting in increased employee satisfaction. It is expected that for half of the firms, more than 50% of HR processes will be automated. Digital technology will play a significant role to improve the talent hunting process resulting in

### *Quick facts*

- Annual India talent output: 5.5 mn approx.
- 3.1 million direct employment; 11-12% -domain specialists
- Industry employs over 170,000 foreign nationals
- More than 65% employees are fresher's and mid management
- Over 50% employees from tier II/III locations
- Close to 34% women workforce – majority of women employees at entry level

finding right candidate in reasonable time span. This will witness a rapid shift to non-traditional hiring methods such as online job portals, social media and referrals. New digital channels specifically online portals, social and digital media, like Facebook and LinkedIn are driving recruitment processes.

## **Addressing Industry challenges: Skill gap**

With industry focus shifting towards digital skills, **NASSCOM recommends a 'Multiple Engagement Solution'**

### **Multiple Engagement Solution:**

- **Leadership training:** Manage the required change in leadership mindset for managing projects and teams for digital solutions and develop a leadership program, which includes new KPIs. Also, build a strong HR communication and training process to help in leadership transition
- **National level Hackathon/Codefest:** Conduct regional and country level competitions for technologists on digital solutions to promote knowledge, awareness and skill development
- **Collaboration with industry external partners:** Collaborate with User Experience (UX), Design Thinking and Data Research firms to develop skills and solutions utilizing digital services and concepts
- **Collaboration with Universities:** Define trainings, skillset requirements for digital technologies and communicate to technology and business schools. Collaborate with universities to define right training to educate the future workforce

### **NASSCOM Top 20 IT-BPM Employers in India FY2014**

Rank	Company	Rank	Company
1	Tata Consultancy Services Ltd.	11	Aegis Ltd
2	Infosys Ltd.	12	iGATE Global Solutions Ltd.
3	Cognizant Technology Solutions India Pvt. Ltd.	13	CSC, India
4	Wipro Ltd.	14	WNS Global Services (P) Ltd*
5	HCL Technologies Ltd.	15	Syntel Ltd
6	Tech Mahindra Ltd. <sup>1</sup>	16	L&T Infotech
7	Capgemini India Pvt Ltd	17	Firstsource Solutions Ltd*
8	Genpact Ltd	18	EXL*
9	Serco, Global Services*	19	Hinduja Global Solutions Ltd*
10	Mphasis Ltd	20	Mindtree Ltd

<sup>1</sup> Includes Mahindra Satyam and Tech Mahindra as they are now a combined entity

Note: This list is based on the India-based FTE headcount of firms with IT-BPM operations in India, as reported to NASSCOM in its annual survey

Based on publicly available information, few other MNC's such as Accenture, HP India, Convergys and IBM would have also featured in this list. However, as they have not participated in the survey, we do not have all the required details and are unable to rank them. Most firms on this list are engaged in IT as well as BPM. Firms marked with an \* indicate pure-play BPM firms.

## **About NASSCOM**

NASSCOM® is the premier trade body and the chamber of commerce of the IT-BPM industries in India. NASSCOM is a global trade body with more than 1500 members, which include both Indian and multinational companies that have a presence in India. NASSCOM's member companies are broadly in the business of IT Services, BPM, Engineering, Products and Internet. NASSCOM's membership base constitutes over 95% of the industry revenues in India and employs over 3.1 million professionals.

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